

Conflict Materials Policy

Lodar operates as a socially responsible company, we are concerned for the wellbeing of people and communities and any impact we may have upon them from our business activities. We conduct business fairly, ethically respecting all human rights and complying with any laws and regulations we are required to adhere towards.

Lodar is committed to ethical sourcing practices, mitigating risks associated with conflict minerals, and contributing to positive social and environmental outcomes in the communities where materials are sourced.

Lodar supports the efforts of human rights organisations to end violence and atrocities in Central Africa (Democratic Republic of Congo) and the 9 adjoining countries:

- Republic of Congo
- Central Africa Republic
- South Sudan
- Zambia
- Angola
- Tanzania
- Burundi
- Rwanda
- Uganda

The main driver of the violence is the natural abundance of the materials tin , tungsten, tantalum and gold, now referred to as "conflict materials."

Cobalt & Mica

The Democratic Republic of the Congo (DRC) is the world's largest producer of cobalt and holds more than 50 percent of the global cobalt reserves. Cobalt is used in lithium-ion batteries that form an integral part of electric automobiles, mobile phones and laptop computers. Demand for cobalt is expected to rise significantly over the coming years.

Cobalt is extracted in mechanized and artisanal mining operations. Multiple reports have highlighted concerns over social and environmental impacts of cobalt extraction, including child labour and unsafe working conditions in artisanal cobalt mining.

The Mica group represents 37 types of minerals, with layered structures that allow them to be split into thin flakes or sheets. Mica is largely known for its application in cosmetic products and paint. It is also used for insulation and heat resistance, and can be found in some components of electronic and automotive products.

In two major mica-producing countries, India and Madagascar, mica supply chains rely heavily on artisanal and small-scale extraction as well as manual processing. Reports in recent years have highlighted instances of child labour, illegal operations and unsafe health and safety conditions in mica production and processing.

Lodar supports the work being conducted by the RMI to address the risks within sourcing these minerals and the ensuring a conflict free supply chain.

Lodar will make every effort to ensure that we work with only reputable suppliers who source materials ethically and conflict free.



Expectation for Suppliers

We expect suppliers to share the same views as Lodar and as such ensure that any materials that are provided to us are Conflict Free.

Suppliers are expected to ensure their policies and management systems are in line with sourcing materials ethically. Lodar expects suppliers to perform their own due diligence to ensure conflict free supply chains.

Lodar expects suppliers to Implement systems to trace the origin of materials throughout the supply chain, from extraction to manufacturing. This may involve requiring suppliers to provide documentation and certificates verifying the source of materials.

In the event Lodar determines that a supplier has not complied with this policy and that they have failed in cooperating, developing and implementing remedial steps then Lodar reserves the right to take appropriate actions up to and including the termination of business with the supplier.

Lodar will conduct audits of suppliers to assess compliance with the conflict materials policy and identify any areas for improvement. Audits may include on-site visits, interviews with workers, and review of documentation.

Carl Beard

Managing Director